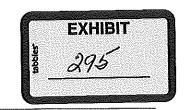
CBIA



FEB 0 4 2010

Connecticut Business & Industry Association

February 4, 2010 OFFICE OF THE

Mr. Paul E. Stacey, Hearing Officer Department of Environmental Protection Bureau of Water Protection and Land Reuse Planning & Standards Division 79 Elm Street Hartford, Connecticut, 06106-3127

Dear Mr. Stacey:

The Connecticut Business and Industry Association (CBIA) is pleased to have this opportunity to comment on the Department of Environmental Protection's (DEP) proposed stream flow regulations. CBIA appreciates being involved in the DEP's initial strategy of utilizing an advisory committee along with technical and policy subcommittees to help craft a proposal. While we strongly supported the process, we were disappointed that the process ended prior to the drafting of a specific regulatory proposal. The advisory committee did not have the opportunity to inform the DEP nor suggest changes to the proposal prior to the formal comment period.

CBIA provided oral testimony at the January 21, 2010 public hearing at DEP. These written comments are intended to supplement and not supplant those comments. They are also intended to provide the DEP with specific recommendations as to how the DEP should move forward on this issue.

As we stated in our oral testimony, we believe the proposed regulations represent a massively bureaucratic and expensive response to a very limited problem in Connecticut. Both EPA and DEP data indicate that less than 1% of Connecticut's rivers and streams are impaired due to diversions of the sort the proposed regulations are to address.

Additionally, compliance cost estimates run into the hundreds of millions of dollars. These costs will primarily be incurred by a variety of water companies throughout the state and will then be passed on to residential, commercial and industrial customers.

DEP's fiscal impact statement declares the agency anticipates the regulations can be implemented with existing DEP resources. With the program calling for classifying every river and stream in the state and a substantial regulatory and enforcement program to follow, CBIA would appreciate the DEP indentifying and quantifying where existing resources will be redirected from in order to accomplish this substantial task.

Water companies impacted by the regulations have assured us with certainty that restrictions on water usage will increase under the regulations and that long overdue investments in their water systems will have to be further deferred. This will further compromise reliability of water service to residents and businesses throughout the state.

Further, the regulations will unnecessarily hinder the state's ability to grow economically by placing additional restrictions on where such projects may be located.

In short, the proposed regulations will increase costs, reduce the reliability of the state's water supplies for residential and commercial use, and limit the state's potential for economic development.

Accordingly, CBIA opposes the proposed regulations. Our recommendation to the DEP is that it ask the legislature to significantly modify the current authorizing statute in a manner that will direct the DEP to narrowly focus its attention on those rivers and streams that have been identified as "impaired" due to water diversions and work with the affected communities to remedy those issues. To the extent the DEP finds it requires additional authority to successfully remedy these isolated challenges, it should seek such authority from the legislature.

Thank you for this opportunity to provide comment on the proposed regulations. CBIA would be pleased to assist the DEP in making whatever legislative and regulatory adjustments are necessary to create a cost-effective and targeted solution that will not further burden our economy by increasing costs and reducing reliability to businesses, residents and the state.

Sincerely.

Eric J. Brown

Associate Counsel